

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN (Green Bay)

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No. 19-CR-00151-WCG-11

STEPHANIE M. ORTIZ,

Defendant.

DEFENDANT'S SENTENCING MEMORANDUM

I. Background

This is a unique money laundering turned accessory after the fact case. It's not typical that a defendant arranges with the drug trafficker to purchase on his behalf an asset with the latter's ill-gotten gains and to title that asset in her name, and then when the dust settles that defendant alone owns, controls and pays for that asset. Based upon the nature and circumstances of the offense, the history and characteristics of the defendant, and notions of protection of the public, proportionality and punishment, it is respectfully requested the Court impose a sentence of time served.

II. Discussion

A. The offense

Ruben Ortiz, a long-time northeast Wisconsin multiple drug trafficker, wanted a Tesla automobile. He did not want to buy it himself with cash from his drug sales for reasons unknown, which may include suspicion of his activities by his supervising State

Probation Officer or avoiding the the placement of a child support lien on an asset in his name. His reluctance to buy on his own was neither suspicion from a car salesman nor law enforcement, the latter whom by the time of his operation of the Tesla were hot on his tail and preparing to seek drug trafficking charges versus him dating back to May 2017. In January 2019, “Ready” Ruben approached his six (6) year junior sister, the youngest in the family, defendant Stephanie Ortiz, and asked her to do him a favor. He provided her \$5,000 cash for downpayment on the purchase of a 2015 Tesla Model S vehicle he located at a car dealership south of Chicago, asked her to accompany him to that dealership to fill out the paperwork for the purchase, loan and title in her name, and asked her to make monthly payments on the vehicle with cash he would provide to her. Stephanie Ortiz agreed because she loves her oldest brother, who despite and owing to his life of crime, has been helpful to her and the extended family in a pinch, though typically any money Ruben Ortiz gave to Ms. Ortiz was to offset her housing of his 19-year old daughter, Destiny. Stephanie Ortiz did not fraudulently represent her credit to obtain financing of the vehicle. Three (3) monthly payments of approximately \$750.00 were made for the loan on the Tesla.¹

Ruben Ortiz was confounded by the high tech interior functions of the Tesla electric vehicle, and determined he didn’t want it. In May 2019, he told his sister that he wanted to trade-in the Tesla for a 2016 Lexus GS vehicle, and asked her to help him again, just months before his drug activity would end with arrest. Stephanie Ortiz agreed, and she made one (1) monthly payment of approximately \$1,000 on the Lexus

¹ PSI: ¶¶ 12-16, 65; discovery bates-stamped pp. 310; 318; 1323; 6721-22.

before her brother and she were arrested with up to 30 drug traffickers associated with her brother. \$9,450 was involved in the Stephanie Ortiz offense conduct.²

Stephanie and Ruben Ortiz, the latter always the opportunist, immediately cooperated with authorities upon arrest, laid out the details of the vehicle transactions and Ruben Ortiz's drug trafficking organization, the latter of which Stephanie Ortiz knew virtually nothing other than she knew how her brother made money, principally through the sale of marijuana. Ms. Ortiz volunteered that Ruben provided her a rebuilt salvage 2014 Chevy Malibu vehicle around the time of the Tesla transaction, which Stephanie then provided to their brother Luis Ortiz. Stephanie Ortiz told law enforcement "I know I shouldn't have" put the car in her name. Law enforcement's report reads, "[Stephanie Ortiz] has been honest about her dealings with Ruben."³

The Ortiz siblings, their mother Nancy Skenandore, other family members including two (2) of Ruben's sons, and a queue of associates were charged in Brown County Circuit Court with drug trafficking. A month later, Stephanie Ortiz, her brother and nine (9) non-family members were indicted in federal court, the balance left to resolve their cases in State Court. The government's lawyer, William Roach, rejected a loosely held notion of law enforcement that Stephanie Ortiz was a member of the Ruben Ortiz drug trafficking organization, and in the superseding indictment named her only in a money laundering count concerning the Tesla vehicle.⁴

² PSI: ¶ 15; discovery bate-stamped pp. 923; 6722.

³ R. 175: 2-4; R. 176; PSI: ¶¶ 16, 19; PSI Addendum, p. 3-4; discovery bate-stamped pp. 1323-25.

⁴ R. 13; discovery bate-stamps p. 1315.

Mr. Roach later agreed to dismiss the money laundering count versus Stephanie Ortiz in favor of a charge of accessory after the fact to her brother Ruben Ortiz's marijuana trafficking.⁵ The government reasoned such a charge is appropriate because it shows that Ms. Ortiz knew a crime was committed, *i.e.* Ruben selling marijuana, and Ms. Ortiz assisted in preventing an offender's apprehension, *i.e.* assisting Ruben with car purchases which prevented his name from being on titles that would have alerted law enforcement that he was spending proceeds from illegal activity.⁶ One who acts as an accessory after the fact does not participate in the commission of the primary offense.⁷ Instead, an accessory is one who provides assistance to the offender by helping hinder or prevent his apprehension or prosecution *after* he has already committed an offense.⁸

High marks for Mr. Roach for creativity and for considering that such a label for Ms. Ortiz's first felony conviction will be easier for her to continue her life's work. That employment involves grant procurement, advocacy, healing and prevention to combat domestic violence, sexual assault, dating violence, stalking, and sex trafficking, and assisting victims of crimes. That job suits her since Ms. Ortiz and her nieces have been victims of sexual assault.⁹

⁵ R. 176; PSI: ¶5.

⁶ R. 175: 2-4; R. 176.

⁷ PSI: ¶19.

⁸ *United States v. Innis*, 7 F.3d 840, 851 (9th Cir. 1993) [underscoring the fact that "an accessory after the fact is not liable as a principal"]; *United States v. Irwin*, 149 F.3d 565, 571 (7th Cir. 1998) [accessories after the fact are ones who give aid after the criminal endeavor has ended to keep the one aided from being caught or punished].

⁹ PSI: ¶¶62; 72.

While Stephanie Ortiz funneled the downpayment for the Tesla and a handful of loan payments through her bank account, her offense conduct wasn't sophisticated, long running or large scale.¹⁰ The used vehicle transactions near the tail end of the drug conspiracy were not carefully designed to conceal the identity of the participants. Money from the drug trafficking was deposited into Ms. Ortiz's easily identifiable bank account. Stephanie and Ruben Ortiz were both personally present when the cars were test driven, purchased and documents were filled out, readily identified by the respective salesperson, and Ruben Ortiz drove the cars off the car lot and used the cars conspicuously after they were purchased, making the association of these vehicles with Ruben Ortiz obvious to law enforcement and his probation officer.¹¹ Although the title to the Tesla was in Stephanie Ortiz's name, she shares the same last name as her brother and so the connection to Ruben Ortiz would be obvious. This looked like an ordinary commercial transaction, albeit involving the proceeds of unlawful activity.

This is a crime of concealment. Some defendants go to great lengths to conceal a crime, endangering or threatening others in doing so, profiting substantially for their involvement, and assisting in the commission of the underlying offense. Others, like the defendant in the present case, assist in concealment in relatively minor ways. Here there

¹⁰ *United States v. Okeke*, 779 Fed.Appx. 389, 392 (7th Cir. 2019) [no precise timing and coordination; no misleading of bank officials and car dealer.]; Guideline §2S1.1(b)(3), Application Note 5(A) provides that "sophisticated laundering" typically involves the use of offshore financial accounts; two (2) or more levels (i.e., layering) of transactions or transfers involving criminally derived funds that were intended to appear legitimate; fictitious entities; or shell corporations.

¹¹ Discovery bates-stamped pp. 1319; 1323; 6722; 6745; 6752; 6754; proffer statements of Ruben Ortiz; March 9, 2020 interviews of Ibrahim Ibrahim of Driven Auto Sales; *United States v. Lovett*, 964 F.2d 1029, 1037 (10th Cir. 1992) [defendant's open and conspicuous manner in purchasing the ring undermines any inference that the defendant acted with the intent to conceal].

was not a series of complicated and coordinated fraudulent transactions. As Ruben Ortiz conspicuously drove the Tesla and Lexus, they displayed the placard “Driven Auto Sales” at the rear registration mount. Law enforcement placed a GPS device on May 8, 2019 on the Lexus shortly after it was obtained.¹² The defendant’s bank savings account records from 2017 to 2019 show little or no balance, with a substantial number of NSF notices.¹³ In a number of recorded telephone messages with Ruben Ortiz, the defendant indicates that she owes him money and is intent on paying him back money he previously provided to her.¹⁴ While Ruben Ortiz drove the vehicles during a handful of drug transactions, there is no evidence that the defendant's conduct was important to the success of the drug trafficking scheme of Ruben Ortiz or its ability to evade detection. Ruben Ortiz utilized co-conspirators *other* than his sister to alter vin #s and create “traps” in *other* vehicles to transport drugs or money. No part of Stephanie Ortiz’s design was to promote drug trafficking. One cannot promote the carrying on of an already completed act.¹⁵

Money laundering, commonly understood to involve the transfer of criminally derived money into legitimate channels, occurs in almost every crime in which there is a

¹² Discovery bate-stamped pp. 361; 500; 6335; 6337.

¹³ Grand Jury records, pp. 373ff.

¹⁴ See, e.g., Title III intercepts on May 31, 2017; June 18, 2017; July 13, 2017; July 19, 2017; September 18, 2018; and November 7, 2018.

¹⁵ Discovery bate-stamped pp. 1315; 6825; *United States v. Jackson*, 935 F.2d 832, 841-42 (7th Cir. 1991) [money laundering should not be interpreted to encompass all transactions which involve the proceeds of unlawful activity, particularly those that don’t intend to promote continued operations].

financial motive. These vehicle transactions were not engaged in to create the appearance of legitimate wealth by investment, but rather for a present personal benefit, a nice car.¹⁶ Congress is more concerned with drug dealers concealing than spending. Consider the reported \$33,000 value of the Tesla car with 66,000 miles in relation to the wealth deriving drug activities of Mr. Ortiz.¹⁷ Consider that Ruben Ortiz was involved with *typical* money laundering with an uncharged Chicago-based auctioneer to whom he sold numerous cars he purchased with drug proceeds.¹⁸

Ms. Ortiz's conduct added no additional harm to the community. Stephanie Ortiz told law enforcement that she expected Ruben to be apprehended at some point and returned to prison, and she would be able to surrender the car to the loan company.¹⁹ Instead, she now owns and operates the 2016 Lexus GS, a car whose value in 2019 was approximately \$44,000, substantially less than the \$57,000 still owed on the car to the finance company.²⁰ Ms. Ortiz presently makes monthly payments of \$950 on the vehicle, and she has been late on a number of payments, damaging her credit. Her

¹⁶ *United States v. Garcia-Emanuel*, 14 F.3d 1469, 1474-75 (9th Cir. 1994) [“[i]f transactions are engaged in for present personal benefit, and not to create the appearance of legitimate wealth, they do not violate the money laundering statute.”]; *United States v. Marshall*, 248 F.3d 525 (6th Cir. 2001); *United States v. Esterman*, 324 F.3d 565, 570 (7th Cir. 2003) [there is not much more here than transfer and spending of funds because there is not a lot of separation from the drug dealing to the car purchase].

¹⁷ IRS Grand Jury records p. 33.

¹⁸ Discovery bate-stamped pp. 282; 330.

¹⁹ Discovery bate-stamped p. 924.

²⁰ IRS Grand Jury records p. 35; PSI: ¶66.

efforts to sell, trade-in or better re-finance the car have been unsuccessful.²¹ Perhaps that is why the Notice of Forfeiture in the indictment does not list the Lexus, rather three (3) other vehicles.²² This case involves payment of crime related expenses rather than the leveraging of one criminal activity into the next that poses a greater threat to society.

Interviews with confidential informants, cooperating witnesses and co-defendants, visual surveillance, technical surveillance- to include multiple Court-authorized wire taps-, cellphone and social media examinations, geo location of phones, vehicle traffic stops, consent searches, 18 search warrants, 29 controlled buys, and peripheral law enforcement investigations, spanning in excess of five (5) years, uncovered no evidence of Stephanie Ortiz's involvement in drug trafficking.²³ The June 17, 2019 execution of search warrants at Ms. Ortiz's Green Bay residence uncovered no evidence of her involvement with the drug trafficking organization run by her brother. The only evidence recovered was her and cohabitants's personal use of marijuana.²⁴ Seizure and search of each of Ms. Ortiz's electronic devices recovered no incriminating evidence of drug trafficking. She had scant awareness of the underlying drug trafficking organization.²⁵

²¹ PSI: ¶¶ 66, 78.

²² R. 13: 13-14.

²³ Discovery bate-stamped p. 1314-15.

²⁴ PSI: ¶ 18

²⁵ Discovery bate-stamped pp. 3238-3363.

Ruben Ortiz has historically involved in various capacities in his misdeeds,- to include obtaining, storing, transferring and selling all sorts of drugs, money, guns and vehicles,- a catalog of women, including Linda Nicholas, Angie Vandeveld, Felicia Jacobson, each mothers of his children, girlfriend Marena Zavaleta, and Alison Miceli, girlfriend of co-defendant Cedric Cohen;²⁶ his sons, 18-year old Franklin Ortiz, charged in Brown County Circuit Court case number 2019CF000969, and 20-year old Desmond Jordan, charged in 2019CF000897; his 60-year mother, charged in case number 2019CF000924;²⁷ numerous friends and associates; lawful businesses; and his lawyers.²⁸ Stephanie Ortiz told law enforcement her brother engages in a “cycle of favors” and takes advantage of people close to him. Over time, Stephanie Ortiz has set boundaries between herself and her brother’s life work. She has never helped him rent cars and has not transported money or drugs for him. Ruben Ortiz asked his sister to make payment for his drug related travel, which she declined.²⁹ Ruben Ortiz and the defendant’s mother discussed Stephanie Ortiz buying a house for them.³⁰ That didn’t happen. Late near the end of the drug conspiracy, Stephanie Ortiz allowed an easement to brother Ruben, for which she is paying a hefty price. A felony is forever.

²⁶ Discovery bate-stamped pp. 6501; 6526; 6557; 6831.

²⁷ PSI: ¶¶ 51, 52

²⁸ Discovery bate-stamped p. 6101.

²⁹ Discovery bate-stamped pp. 1323-24.

³⁰ Discovery bate-stamped p. 2215.

B. The defendant

Ms. Ortiz's father was the "Inca" of the Latin Kings in the 1970's and 1980's.³¹ Her father has spent lengthy terms in prison for gun and drug offenses since the defendant was one (1) year old.³² Her mother was a "Latin Queen," who has struggled with substance abuse.³³ The family suffered extreme poverty, homelessness, and displacement. *Id.* Gang involvement and drug activity has existed in her family for generations.³⁴ Stephanie Ortiz has overcome. She has excelled athletically and academically and is a college graduate and homeowner.³⁵ She has gone to work every day for the past seven (7) years as a statewide leader in domestic and sexual violence prevention with "End Domestic Abuse Wisconsin," "Wise Women Gathering Place," and as an independent contractor.³⁶ She serves without compensation in the community as a founder of "Black Lives United in Green Bay" and a lead volunteer in "Women's March Wisconsin," a movement with training and programming focused upon the human rights of diverse women.³⁷ Ruben Ortiz has taken a markedly different course as leader of the Green Bay chapter of the Latin King street gang.³⁸ Some would label Ms. Ortiz's criminal

³¹ Discovery bate-stamped p. 6824.

³² PSI: ¶¶ 44, 50.

³³ PSI: ¶ 45. Discovery bate-stamped p. 6824.

³⁴ PSI: ¶ 66.

³⁵ PSI: ¶¶ 47, 48, 58, 73.

³⁶ PSI: ¶¶ 724, 75, 77..

³⁷ PSI: ¶¶ 65, 77.

³⁸ Discovery bate-stamped p. 3228.

activity as “a normal sibling relationship” with her brother. That is true, except that Ruben Ortiz happens to be a very large level drug trafficker who knows and wants to do nothing more in life than that, to Ms. Ortiz’s historical demise.

Stephanie Ortiz has no rehabilitative needs, let alone any that need to be addressed in a confined setting. She lives in Wisconsin, and so she cannot legally self-medicate her depression and anxiety with marijuana use, an issue for which she is in counseling.³⁹ Her marijuana use had nothing to do with the offense conduct. She leads within “End Domestic Abuse Wisconsin, an agency that advances the notion that all people have the right to a life free of oppression and violence. The agency works to foster change in our economic, social, and political systems and brings leadership and best practices to Wisconsin programs and communities engaged in ending domestic violence.⁴⁰ Ms. Ortiz respects the law. To be sure, she sometimes distrusts agents of the law, but that had nothing to do with this offense conduct.

C. Disposition considerations

Mr. Roach has indicated the government will recommend a sentence not to exceed 1 year, 1 day incarceration for Ms. Ortiz’s bad judgment with the Tesla and substituted Lexus. The government is concerned that nine (9) years ago, in 2012 from a Wisconsin prison Ruben Ortiz with other Stanley Correctional Institution inmates directed Stephanie Ortiz to make fraudulent purchases on credit card accounts. Ms. Ortiz did not rebuff her brother’s enticement and made attempts to execute fraudulent

³⁹ PSI: ¶¶ 61-63, 69, 71.

⁴⁰ <https://www.endabusewi.org/about/> [last visited March 1, 2021].

transactions, but not a single half-hearted effort was successful. The government speculates that Ms. Ortiz's overdue phone account was paid during the scheme; it was, but that credit was later reversed. The entire effort was folly, with Ruben Ortiz trying to orchestrate \$40,000 to \$60,000 credit on cards.⁴¹ The PSI writer is correct to state "these disputed facts offer further historical context as to the association between Ruben Ortiz and the defendant,"⁴² but this dated incident should mean nothing at sentencing. The government is also concerned that at the same time and shortly thereafter, when Ruben Ortiz was released from prison in late 2012, he took up residence with Stephanie Ortiz, who together with another siblings sold marijuana at Ruben's direction, and co-signed with him a loan for and titled in her name a 2007 Yukon Denali vehicle Big Brother operated.⁴³ In that latter investigation, Ms. Ortiz ceased her assistance to her brother, fully cooperated with authorities- which earned her the label of "dumb ass" from Ruben in a letter he then wrote to their mother-, admitted to the offense of maintaining a drug trafficking place, entered into a deferred prosecution agreement, and completed the agreement early.⁴⁴ In July, 2013, Ruben Ortiz wrote the defendant a letter from jail directing her and "Family" to have his drugs and drug debts collected.⁴⁵ She declined. Ruben Ortiz will be imprisoned for a decade or more in the

⁴¹ PSI: ¶ 17; discovery bate-stamped pp. 3255-3257; see also PSI Addendum, pp. 1-3.

⁴² PSI Addendum, p. 2.

⁴³ PSI: ¶¶ 17, 37; discovery bate-stamped pp. 3257-3260.

⁴⁴ PSI: ¶ 37; discovery bate-stamped pp. 1316-1318

⁴⁵ PSI: ¶ 37; discovery bate-stamped pp. 3260-61.

federal Bureau of Prisons. Ms. Ortiz will be in her mid-40s when she will next face his in-person influence.

The United States Sentencing Guidelines are misplaced in this case.⁴⁶ Ms. Ortiz is a criminal history category II because of a decade old conviction for possession of marijuana, whose recreational use is legal in 14 states and the District of Columbia, and retail theft of spices at Festival Foods on Mason Street on the same date, for which she was sentenced to an excessive 60 days jail, together with the deferred prosecution case that involved a no contest plea.⁴⁷ Ms. Ortiz's base offense level 18 is based upon accessory to a marijuana trafficking offense involving a quantity of marijuana that neither she knew nor should have known.⁴⁸ The accessory Guideline say that when the underlying offense is drug related, the quantity of drugs is not a specific offense characteristic about which the Court inquires whether the accessory knew or should have known; rather, it is a factor used to determine the base offense level.⁴⁹ The Guideline for Misprision of Felony, which is concealment of a felony and a close cousin

⁴⁶ PSI: ¶¶ 24, 84.

⁴⁷ PSI: ¶¶ 36-39; Guideline §4A.12(f) [a diversionary disposition resulting from an admission of guilt or no contest plea is counted as a sentence for criminal history purposes].

⁴⁸ PSI: ¶¶ 8, 19, 24; see also PSI Addendum, pp. 3-4.

⁴⁹ *United States v. Girardi*, 62 F.3d 943, 946 (7th Cir. 1995); U.S.S.G. §2X3.1 App. Note 1 [Neither Application Note 1 nor §2X3.1 require[s] that an accessory 'know' or 'reasonably know' of the factors used to calculate the base offense level, such as the quantity of drugs involved in the offense.]; *United States v. Vanschoyck*, 309 Fed.Appx. 23, 26-27 (7th Cir. 2009) [whether defendant knew there were more than 1000 marijuana plants on the property is immaterial to conviction of accessory after the fact to federal offense].

to money laundering and accessory after the fact, would yield a sentencing range of 0 to 6 months and authorizes probation.⁵⁰

On January 6, 2021, defense counsel participated in a conference call with representatives of Ms. Ortiz's employer, "End Domestic Violence Wisconsin," which included Interim Executive Director Grisel Santiago-Rivera, J.D. Counsel learned three (3) things: (1) Ms. Ortiz's independent money management and fiscal oversight, including her management of a one million dollar prevention grant, was terminated due to her conviction; (2) the "Founders" of the organization will determine Ms. Ortiz's future ability to manage monies within the agency; and (3) Ms. Ortiz will be terminated from her "Director of Prevention and Outreach" if she is jailed in excess of her accumulated personal time off (PTO) as of March 7, 2021, which amounts to 89 hours (2 weeks and 1 day). Ms. Ortiz's position is too essential to be vacated.⁵¹

Incarceration breaks up families, the building blocks of our communities and nation. Stephanie Ortiz's domestic partner is a formerly incarcerated man now employed as a crime victim advocate with "We All Rise: African American Resource Center," a Green Bay organization that focuses upon health, education, employment, housing and legal support.⁵² With him, she has a seven (7) year old son.⁵³ That child was interviewed by the Willow Tree Advocacy Center and taken from Ms. Ortiz by Brown

⁵⁰ Guideline §2X4.1.

⁵¹ PSI: ¶67.

⁵² PSI: ¶57.

⁵³ PSI: ¶56.

County Child Protective Services for a period of time after her arrest in this case.⁵⁴ That shouldn't happen again. Children with an incarcerated mother face financial hardship, residential instability, changes in caregiver arrangements, and trauma associated with the loss of a loved one, risking diminished learning capacity, mental health, and behavioral problems.⁵⁵ With her partner, Ms. Ortiz is due to give birth to a second child in late May 2021.⁵⁶ A recent Government Accountability Office report confirms concern that Federal prison officials and the U.S. Marshals Service must consistently provide pregnant women and postpartum women in federal custody with appropriate care and treatment.⁵⁷

The ongoing COVID-19 Pandemic provides a greater risk of infection and death unique in the jail and prison system, together with deeply circumscribed basic privileges, making incarceration harsher and more punitive than would otherwise be the case. There is mixed science concerning whether a pregnant women's contract of the virus is dangerous to the newborn and whether pregnant and postpartum woman should be vaccinated.⁵⁸

⁵⁴ Discovery bate-stamped p. 926.

⁵⁵ Akiva M. Liberman & Jocelyn Fontaine, Urban Institute, *Reducing Harms to Boys and Young Men of Color from Criminal Justice System Involvement* (Feb. 2015)

⁵⁶ PSI: ¶ 56.

⁵⁷ <https://www.gao.gov/assets/720/711917.pdf> [last visited March 1, 2021].

⁵⁸ <https://jamanetwork.com/journals/jama/fullarticle/2776447> [last visited March 1, 2021].

D. Proportionality

Both mothers of Ruben Ortiz's children, Linda Nicholas and Felicia Jacobson, at Ruben's direction titled multiple vehicles he operates in their names. Felicia Jacobson titled in her name at least three (3) vehicles, a Mercedes-Benz S, Audi, and SUV suburban, for Ruben and his associates, and made additional vehicle purchases for him; at one juncture, Ms. Jacobson held title to 14 vehicles.⁵⁹ Co-defendant Cedric Cohen had previously purchased a vehicle from "Drive Auto Sales" before Ms. Ortiz's transaction, and his sister, Luetishie Williams, purchased and titled Cohen's BMW in her name.⁶⁰ Kelly J. Beaton, Melanie Abundiz, and Paige Baier, girlfriends of Ruben's drug trafficking co-conspirators Darin Walls, Michael Mills and Javier Lockridge, respectively, titled vehicles in their names for their beaux.⁶¹ Local drug trafficker Jonathan Patton operated local Green Bay bar "Cover 2." He was sourced controlled substances by Ruben Ortiz and claimed to employ him at his bar.⁶² Stephanie Ortiz makes no claim of selective prosecution as the lone person charged with money laundering in this large-scale investigation rife with such conduct.⁶³ Instead, she asserts, "I believe this entire experience, and being labeled as a felon, will be a reminder that I must continue to work hard and remains focused on my values in life."⁶⁴

⁵⁹ Discovery bate-stamped pp. 199; 225; 292, 359, 328; 1234; 6601; 6329; 6331; 6723.

⁶⁰ Discovery bate-stamped pp. 199; 923; 6326; 6330.

⁶¹ Discovery bate-stamped pp. 351; 6330; 6332;

⁶² Discovery bate-stamped p. 6723.

⁶³ Discovery bate-stamped pp. 1323.

⁶⁴ PSI: ¶65.

The case of *United States v. Kevin Arms, et. al.*, Eastern District of Wisconsin (Milwaukee Division) case number 14-CR-78-LA, is comparable. Arms was a large-level drug trafficker who served a sentence, only to return to drug trafficking, and involve family members in various money laundering schemes. Kevin Arms's drug trafficking organization distributed well in excess of 300 kilograms of cocaine, cocaine base and marijuana between 2007 and 2014 in Milwaukee.⁶⁵ The sales of those controlled substances generated over \$3,000,000 in proceeds, which was then laundered, with the assistance of Kevin Arms's organization members and associates, including family, through the purchase of cars, motorcycles, boats, jewelry, home improvements and consumer goods, and the purchase or lease of homes and apartments. *Id.* A handful of family members were convicted of racketeering and money laundering. His father, Cecil Arms, who served as nominee and payer for vehicle purchases and apartment rentals for his son, was sentenced to one (1) year probation;⁶⁶ his son, Kevin, who served as nominee and payer for a vehicle that his father operated, was sentenced to two (2) years probation;⁶⁷ his sisters, Shenese and Shenita, and brother-in-law, Tremell Nicholas, each of whom served as nominees and payers for vehicle purchases and apartment rentals for their sibling, were sentenced to time served.⁶⁸

⁶⁵ R. 1157: 13.

⁶⁶ R. 1157: 15; R. 1202.

⁶⁷ R. 885: 14-15; R. 987.

⁶⁸ R. 961; R. 958; R. 1145; R. 1046: 14.

In case number 10-CR-64—BHL, *United States v. Mendieta, et. al.*, a six-year multi-state large-scale cocaine and marijuana conspiracy involving consistent transportation and wire transactions of large amounts of United States currency among family members, six (6) money laundering defendants were sentenced to probation or probation with home confinement.⁶⁹

In case number 10-CR-113-LA, Tameka Williams was sentenced to two (2) years probation for money laundering.⁷⁰ Ms. Williams's brother was a large-scale cocaine trafficker. He purchased numerous properties and opened bank accounts in the name of a realty company. He deposited in excess of 2 millions dollars from drug trafficking into these accounts. The defendant purchased a property from the defendant for \$395,000, listing her employment as the realty company, and she purchased a vehicle for \$50,000 on behalf of the defendant with a down payment and completion of a loan application. The defendant admitted that her transactions including loan payments were financed by proceeds of her brother's drug trafficking.⁷¹

In case number 11-CR-205-RTR, Perri Forghani was sentenced to one (1) year probation for money laundering.⁷² Her boyfriend was a large scale marijuana trafficker who sent over 200 pounds worth more than one-half million dollars to Milwaukee customers over a year's period, and money would be wired to him for payment. On

⁶⁹ R. 283; 323; 402; 403; 411; 448.

⁷⁰ R. 31.

⁷¹ R. 23: 14-15.

⁷² R. 157.

behalf of her boyfriend, Forghani would physically receive packages containing currency and would receive wire payment and allow cash deposits to her California bank account, all involving drug proceeds.⁷³

In case number 18-CR-142-LA, Latrice Minor was sentenced to time served for money laundering.⁷⁴ Her cousin was a large scale cocaine and heroin distributor. The defendant accompanied her cousin to a car dealership, where her cousin tendered \$15,500 cash that the defendant knew was derived from illegal gambling for a vehicle, for which the defendant applied for title and license plates in her name.⁷⁵

A survey of accessory after the fact convictions in the Eastern District of Wisconsin since 2000 yields the following:

Case No.	Defendant	Sentence	Factual Basis
00-CR-197-WCG	Michael Dickerson	5 years probation [R. 69]	Unknown though a transportation of firearm by felon count was dismissed
04-CR-106-LA	Michael Page	7 months imprisonment [R. 19]	defendant was the getaway driver from a bank armed robbery of \$9,000, led officers on a high speed chase, and fled with the robber [R. 14: 2-4]

⁷³ R. 79: 14-21.

⁷⁴ R. 274.

⁷⁵ R. 1; R. 214: 2-3.

05-CR-87-RTR	Fernando Campos Ruiz	12 months and 1 day imprisonment. [R. 40]	defendant allowed the home he shared with a drug trafficker to be used for storage of large quantities of cocaine; when the police arrived to serve a warrant, the defendant warned the roommate and hid drug evidence [R. 23: 14]
07-CR-94-WCG	Benjamin Paeyeneers	3 years probation [R. 43]	defendant stored 15 firearms stolen from a gun store, which were brought to the defendant's home by associates [R. 1; R. 41: 1, 5]
07-CR-185-WCG	Rebecca Hawpetoss	1 year probation [R. 35].	defendant hid in her home her daughter, who was being sought by authorities for service of a federal sentence [R. 26: 2-3]
07-CR-286-JPS	Michael Williams	12 months and 1 day imprisonment. [R. 112]	defendant retrieved a car from the scene of an armed bank robbery of \$132,000 committed by two (2) associates; helped clean the money from dye backs; and received and distributed a share of the money. [R. 46: 2-3]

08-CR-296-CNC	Korea Beck	24 months imprisonment [R. 19]	defendant's boyfriend committed armed bank robbery, after which she and the boyfriend used the proceeds to purchase a large screen TV and Chevy Suburban, and rent an apartment; the firearm and money from the bank robbery were found at the defendant's apartment; the defendant advised her jailed boyfriend what she learned about the status of the bank robbery investigation and her intent to discard evidence [R. 12: 2-4]
09-CR-58-RTR	Lacretha Jackson	1 day imprisonment [R. 31]	defendant was the getaway driver for an armed bank robbery of \$25,000, and stored the paint-ball gun and clothing used in the robbery [R. 20: 2-3]
11-CR-2-LA	Tyrus Love	3 years probation [R. 35]	defendant was the getaway driver from an armed robbery of a bar where a shot was fired [R. 23: 13]

13-CR-17-JPS	Ronald Henderson	time served [R. 211]	eight convenience stores were robbed at gunpoint, involving the defendant's brother; robberies were planned at the defendant's residence in his presence; robbers would contact the defendant afterwards and use his bedroom to count and divide proceeds and store weapons; the defendant received proceeds of various robberies [R. 118: 2-3]
15-CR-63-JPS	Charles Musgraves	2 years probation [R. 23]	defendant was the getaway driver for a bank robbery of \$8,610 and received \$1,000 for his efforts [R. 12 2-3]
19-CR-36-LA	Artell Compton	time served [R. 125]	defendant assisted another with avoiding apprehension, knowing that he had committed an armed bank robbery [R. 121: 116]

III. Conclusion

An April 30, 2019 intercepted wire communication between Ruben and Stephanie Ortiz is instructive as to the relatively benign nature of the defendant's conduct before the Court.

Ruben: Are they going to give us a credit for \$8,000 towards this car?
Stephanie: Um, they said I don't have to put anything down. But I don't know what they means. I just assume...

Ruben: Yay, I know, I know. But I'm saying...

Stephanie: I'm assuming I[t] just gets rolled over. I'm not sure but we can ask questions about that.

Ruben: I mean are you charging us \$8,000 for driving this thing for 4 months?

Stephanie: Um, well 750 was the price regardless. And either way you'd have to make a down payment for the Lexus, so...

Ruben: Yay I know, but I'm saying I'm saying are they just going to keep that \$8,000 just to drive this thing?

Stephanie: I'm not sure but I don't know we'll ask the questions when we get there alright. If you have, can text me what questions you have then I will forward them on to him, but...⁷⁶

At her arrest, law enforcement wrote "It's currently unknown the full extent of the finances that have been funneled through Stephanie Ortiz from Ruben Ortiz."⁷⁷ It's known now.

Sometimes the criminal law seeks to keep its strictures roughly in line with the demands of morality through grants of discretion that will help it to reach appropriate results in individual cases, including special instances where the law points one way and morality the other. Law enforcement considered the Tesla/Lexus car dealings in context serious enough to be prosecuted. In its discretion, the government did not seek diversion, likely because that was accorded the defendant for criminal conduct committed now eight (8) years previous. Judges may exercise the discretion the law allows them to impose a lenient sentence. Ms. Ortiz has served three (3) days in jail for the offense.⁷⁸

⁷⁶ Discovery bate-stamped p. 1319.

⁷⁷ Discovery bate-stamped p. 1325.

⁷⁸ PSR: p. 1.

Dated at Green Bay, Wisconsin on March 3, 2021.

Respectfully submitted,

/s/ Thomas G. Wilmouth
Thomas G. Wilmouth
WI Bar No. 1011746
P.O. Box 787
Green Bay, WI 54305
[715] 525-1685 Telephone
[715] 598-6208 Facsimile
tom.wilmouth@gmail.com